

# Marine Transportation Advisory Board

## Meeting in Skagway, Alaska

September 9, 2011

### MINUTES

#### **CALL TO ORDER**

Chairman Mike Korsmo called the meeting in Skagway, with teleconferencing participants, to order at 9:05 am.

#### **ROLL CALL**

*Marine Transportation Advisory Board members participating:* Ron Bressette, Mike Korsmo, Cathie Roemmich, Maxine Thompson, Robert Venables, Dan Kelly, Gerry Hope, Clay Koplin, and Josh Howes present in room. Shirley Marquardt was on-line, and Mark Eliason was excused. A quorum was established.

#### **ROLL CALL VIA TELECONFERENCE:**

*Marine Transportation Advisory Board members participating:* Shirley Marquardt.  
*DOT&PF/AMHS staff and other participants:* Chip Thoma ; Bobbie Ebberly of Juneau; Sheila with Rep. Peggy Wilson's Office; Jim Potdevin (DOT), Tim Joyce (Cordova), Pete Karran (KINY, Juneau), Leo Luzak (Petersburg); Wes Eiler with Sen. Stedman's Office; Ken Larsen (City of Tatitlek); Eric Johnson (Palmer); David Geist from Ellamar Jim Sidney (Swampy Acres, Juneau); and others undeclared.

#### **INTRODUCTION OF THOSE PARTICIPATING**

*DOT&PF/AMHS staff:* Captain Mike Neussl, Captain John Falvey, Lisa Shrestha  
*Members of the public at meeting:* Skagway Manager, Tom Smith, was introduced and present at the meeting, as was Buster Shepard with the Skagway Traditional Council and Dyea resident Kathy Hosford.

#### **APPROVAL OF AGENDA, APPROVAL OF MINUTES OF JUNE 28, 2011 and MINUTES of JULY 12, 2011**

**MOTION:** Gerry Hope moved to approve the agenda as submitted, Cathie Roemmich seconded the motion. Chair Mike Korsmo asked that the guest speaker be stricken from the agenda. Maxine Thompson requested that the agenda be labeled with sub-category items in an a-b-c format. With those changes noted, the agenda for the September 9, 2011 meeting was approved with a voice vote of those present.

**MOTION:** Gerry Hope moved to approve the Minutes of June 28, 2011, as submitted. Dan Kelly seconded the motion, and it was so moved to approve the Minutes by a unanimous voice vote of those present.

**MOTION:** Gerry Hope moved to approve the Minutes of July 12, 2011, as submitted. Dan Kelly seconded the motion, no additions were noted, and the motion carried by a unanimous voice vote of those present.

## **PUBLIC COMMENTS**

A public welcome comment was made by Municipality of Skagway Manager, Tom Smith. He welcomed the members of MTAB to Skagway. Chair Korsmo thanked the Municipality for their gracious accommodations to allow the Board to meet at the chamber building. Thanks were given specifically to Emily Deach, Borough Clerk, as well. The chambers' building was built in 1899 and was originally a college.

Buster Shepard with the Skagway Traditional Council introduced himself. Gerry Hope thanked him for his presence at the meeting.

Via phone, Chip Thoma spoke regarding the Alaska Ship & Dry Dock completed ferry for the Mat-Su Borough. He suggested that the DOT/PF conduct an in-house analysis of possible usage of the ferry. Mr. Thoma further commented that the distribution list for the 9-9-11 meeting did not reach all interested participants.

David Geist from Ellamar commented that last winter's ferry service that was a fantastic boost, taking residents into Valdez. He said they would like that route again this winter. Ken Larson added that seasonal residents support this. Ken added that he realized it would be a challenge but that residents in his area wanted the ferry service they received last year. Chair Korsmo said that this would be discussed later in the meeting.

Leo Luczak, representing the City of Petersburg, said he was excited about the progress of the Alaska Class Ferry, and that it works well for both the North and South ends of Alaska, but that the central region transportation services need to be addressed.

Bobbie Ebberly of Juneau brought up the subject of the large animal refundable deposit of \$1,000. She asked MTAB what exactly warranted the new fee. Chair Korsmo indicated that this subject would be directly addressed later in the meeting.

## **REPORT FROM THE CHAIR**

Chairman Korsmo welcomed new board member, Joshua Howes, from Anchorage, who brought his travel industry background to the MTAB. Chair Korsmo said how pleased he was to have him at his first meeting. Chair Korsmo said that this would be the last meeting board member Clay Koplin would be attending, and that he has been pleased with the work Koplin has done with MTAB and as Vice Chair, representing his region of Cordova well. He spoke about the exceptional job Koplin did in hosting an MTAB meeting in his region of Cordova over the past year. He mentioned how involved in energy issues Koplin has been, and that MTAB will miss his valuable insights and work. Korsmo said that work with DOT/PF, specifically with new Deputy Commissioner Neussl and his office staff member, Lisa Shrestha, has been an easy transition, and that MTAB has built a wonderful working relationship with both Captain Falvey of the Ketchikan AMHS office and Captain Neussl at the DOT/PF Headquarters in Juneau.

Their hard work has stabilized the AMHS and brought a sense of long-time management of the fleet of vessels. Korsmo added that it will continue to be a struggle, including the fact that some of the fleet is older and needing more continual maintenance. Chair Korsmo briefly went over the items on the agenda that MTAB would be covering at this meeting. One of the duties at this meeting is to elect a new Chair and Vice Chair at the end of the meeting. He said that this would be his last as Chair, and that it has been a great experience for the past two years. Most things put before the administration of DOT/PF as recommendations from MTAB have been done. The priority for MTAB now is to get the Alaska Class Ferry “off the ground.” The procurement method needs to be selected and the building of the new ferry begun.

## **STAFF REPORTS**

### Vessel and Operations Update

Captain Falvey gave a detailed report on the vessel fleet. He mentioned that with regard to the Kennicott going to Yakutat, there were some concerns about weather conditions with vehicles on the elevator – they are working on a new method for car tie-downs, so that no matter the weather, the cars are secured in the elevator area. The Kennicott will be over-hauled in February 2012, with a vehicle-securing mechanism on the elevator installed.

The Columbia is currently in the design process for new engines, which she needs. The Matanuska is in the design process to integrate new fuel management system to the recently installed controllable-pitch propeller system. There have been some challenges encountered with the new propeller system.

The Malaspina is planning to have new propeller shaft struts put in during the December 2011 State overhaul. The struts are cracked and need replacing. This will require extensive steel work during the installation.

The Taku is continuing to make adjustments to the new MSD unit, installed last winter during the Federal Overhaul project. It has been a costly Federal project.

The LeConte is in state overhaul this September. The Tustumena is operating as usual, all systems normal.

The Aurora had a late August transit to Juneau to provide relief for the northern panhandle area while the LeConte was in its State overhaul. On September 15<sup>th</sup>, the Aurora will travel to Vigor Shipyards in Portland for an overhaul. That federal overhaul will be conducted September 15<sup>th</sup>-March 2012 at Vigor.

The Fairweather is having engine cylinders inspected so she can obtain a current conditions report during the October 2011 State overhaul. She was given a current engine extension that is valid until April 2012.

The Chenega is having a final engine cylinder boring done during its layup commencing November 14, 2011. She has current engine extension valid until July 20, 2012.

Captain Falvey reported that AMHS is working with TSA with K-9 security. Additionally, he commented that the port at Ouzinkie has also been worked into the schedule, as requested by the community.

Board member Gerry Hope asked about the current situation with the Angoon dock. Captain Neussl responded that the Angoon dock was closed for September with an alternative service in place and a contractor mobilized. The upgrade to the Angoon dock makes it fast ferry accessible. Board member Maxine Thompson said she was encouraged, that the new engineer on the project is very good, spends a lot of time on the project, and she is overall impressed with the operation. There is concern about the ramp, she added. If something needs repair, parts will have to be brought in from Seattle, as the ramp is quite sophisticated. The engineer had commented that the design is quite elaborate. It was discussed that the electronic portion of the ramp may be too sophisticated for present needs/upkeep. Captain Neussl spoke about the ramp. LeConte has its own ramp and uses the dock, while the fast ferries do not have a ramp, the door just rolls up. It is complex because the ramp on the dock needs to be out of the way when ferries with their own ramp system come through. He added that it will be confirmed that the inspectors understand the system. Due to weather issues today, 9/9/11, specifically the high sea, the alternative service provided by the Allen Marine Contract has been prevented from commencing. It will be rescheduled once weather subsides.

There was a discussion of a dedication ceremony for the terminal when the project is complete with Fast Ferry, perhaps the summer of 2012.

With regard to Chip Thoma's comments on the M/V Susitna, there was discussion on the issue of use, the vessel not being compatible with existing AMHS docks, owned by a municipality with other intended uses, and that it would be costly and time-consuming to pursue use due to training of vessel crew. Board member Joshua Howes asked whether the Knik crossing route is of current interest within AMHS. To date it has not been, and there was a short discussion on that.

Captain Neussl commented on the Ellamar/Tatitlek alternative service, for which an RFP has been re-issued. There was some discussion on this with the intent being to duplicate the alternative service provided last winter.

The subject of the recent \$1,000 refundable deposit for transporting large animals was discussed at length. AMHS policy, based on Alaska Administrative Code with the intent of complying with EPA regulations, instituted a refundable deposit to cover any clean-up issues. Stricter environmental regulations mandate that waste must be in a suitable container and cannot just be washed over the side. There was some discussion of a customer paying extra for taking their horse off the ship in Ketchikan (an on/off charge). Public comment came from Swampy Acres patrons who felt the deposit was excessive and had resulted in them not sending horses on the ferry system for 4-H activities that in the past had been enjoyed, because of the required deposit.

**MOTION:** Board member Robert Venables moved that AMHS investigate the regulatory requirements and the public's needs to transport large animals, and to propose a new system to recover costs for the car deck clean-ups that fairly addresses both the regulatory requirements and the public's need to transport goods, including large animals, on their marine highway. Board member Gerry Hope seconded the motion. On a voice vote, this motion carried.

Captain Neussl officially thanked out-going board member, Clay Koplin, for his service, on behalf of the Governor and the Commissioner, to MTAB for the past several years. A more formal acknowledgement and note of gratitude will be forthcoming from the administration. Captain Neussl discussed the upcoming summer 2012 Ferry Schedule that has been carefully reviewed and arranged, taking into consideration some requested travel routes. Specifically, he received three letters that were all responded to, and accommodated through some minor adjustments to the schedule. Specifically, the Kennicott has had a new pattern approved (Bellingham-Whittier) and budgeted for, and the Malaspina is shifting her home port to Juneau, spending Sunday nights in Skagway. The Fast Ferries will serve Angoon, both directions, and the LeConte will overnight in Hoonah one day per week – a few of the changes reflected in the schedule. He stated that he was willing to review the decision of the Lynn Canal Day-boat homeport next year.

Captain Neussl gave a brief budget update, commenting that it was very similar to last year. AMHS leadership met with Office of Management and Budget, and funding is provided for the same level with same level of service. The Whittier-Cordova run has definitely increased ridership, he added. It's particularly helpful to returning fishermen. He has received positive feedback on all new implemented routes.

Board Chair Mike Korsmo said he was encouraged that no negative comments had been received, and that there was a good potential to increase ferry usage. Board member Gerry Hope spoke on the special teleconferences that were being set up to encourage public commentary. Gerry Hope added that Sitka relies on the Fairweather quite heavily and is hopeful that Sitka would not get left out of many events, and additionally he felt that two weeks is too quick a turn-around for public comment on the proposed schedules. Captain Neussl said that he endeavored to make the comment timeline work well and still get the schedule published in a timely manner, and mentioned that Kerri Traudt with DOT/PF is the events calendar coordinator and that she should be contacted on anything related to events.

Chair Mike Korsmo spoke on the budget, and asked the board in general what they foresee to be the issues MTAB works on, coming into FY 2012, to keep systems operating well. Captain Neussl addressed the budget with regard to possible federal reductions to highways in particular.

**MOTION:** Board Member Gerry Hope made a motion that MTAB address and update the Alaska Congressional Delegation to keep funding for transportation at current levels. Board Member Maxine Thompson seconded the motion. There was a brief board discussion. After discussion, Gerry Hope suggested getting more succinct information on this, perhaps involving DOT/PF Dick Leary with the budget piece. Board member Mike Korsmo added that the MTAB

mission is to provide recommendations to the administration. Board Member Clay Koplin added that there will be competition for those funds. Board member Gerry Hope asked for a roll call vote of the motion on the table. The board was polled on the motion, and all voted in favor.

There was a discussion started by Board member Dan Kelly about the Ward Cove facility and the 3.4 million dollar obligation to refurbish. Captain Neussl and Captain Falvey are studying the options and meeting with NOAA.

#### Alaska Class Ferry Status: Funding and Procurement Status

Captain Neussl addressed the Alaska Class Ferry Status. He stated that it was a high priority on his list of tasks, that it involved a complicated process, and that the CMCG process was being pursued. He indicated that he is currently working toward procurement using that method.

Chair Korsmo suggested that MTAB send another letter to the administration regarding the situation with the Alaska Class Ferry. Board member Dan Kelly suggested putting together a delegation regarding the subject.

**MOTION:** Board member Gerry Hope called for a motion: MTAB to organize a delegation with Deputy Commissioner Neussl to participate and to approach the Governor in coordination with the Commissioner in previous correspondence regarding the Alaska Class Ferry project. A brief discussion ensued. Chair Korsmo added that he wanted to know why this issue is being held up. Captain Neussl suggested that the process is a complicated one, and officials want to ensure that the procurement is done correctly. Basically, DOT/PF wants to end up with a ship that meets Alaska's needs. A roll call vote was asked for and called. The motion carried.

Chair Mike Korsmo brought up the subject of SATP and STIP comments. MTAB has struggled with long-range plans. MTAB has worked with the Alaska Class Ferry. The only venue not directly dealt with is regional transportation plans, specifically the SW and Prince William Sound plans. MTAB has the most input to the SE transportation plan. There will be a public comment series of meetings. Board Chair Mike Korsmo added that the one thing he sees with regard to SATP is that there has been some divergence but in general MTAB supports the Alaska Class Ferry. He also said that in the mission plan for DOT/PF, the words safe and reliable need to be included in some fashion. MTAB has suggested this previously, but in the entire Scoping Report document, those words are nowhere to be found. Ferries are the safest and most reliable mode of transportation. Board member Maxine Thompson added that those two words are key for vessel upkeep, and they must be taken into consideration.

Captain Neussl said that there will be public comment on this. There are two steps in the process: The scoping report is put out without any preferred alternative identified. MTAB can then make comments as well as being involved early in the process. Board member Cathie Roemmich said that she had checked into the process, and that MTAB should be making comments on the report as a group. Board member Clay Koplin said that he had concerns because in the past plans were made, with an implementation structure, and then a new administration/administrator had started and the focus had changed. Deputy Commissioner



Neussl suggested that it was a well taken point – being rather large in scope, the plan is not as specific as other transportation plans. The deadline for comments to be received regarding the SATP scoping report is November 4, 2011.

The Board took a lunch break from 12:00 Noon to 12:45 pm. At 12:45 pm, Chair Mike Korsmo reconvened the board meeting.

The Board continued to discuss the SE Transportation Plan. Board Member Venables thought it would be worthwhile to have a work session with AMHS planners. MTAB needs to have the opportunity to understand the nuances of the plan, including the value to certain aspects of it that could be better gleaned from working directly with the planners. Chair Mike Korsmo wanted to acknowledge Deputy Commissioner Neussl's hard work on the plan. Robert Venables added that DOT/PF has encouraged MTAB to be involved in the process, so it would be beneficial to convene a time in which the board could work directly with the planners. Board Member Cathie Roemmich reiterated the importance of MTAB members bringing their respective thoughts to a work session and then as a whole, make recommendations. The document has been updated quite a bit. Board member Roemmich added that most know her personal view on the issue of building an access road from Juneau to Haines, Skagway and Hyder. She added that the future of transportation to those areas from Juneau cannot remain simply through AMHS and air options – that there will be a precipitous drop in population in the future, not to mention the fact that very few people went to the Haines Fair. For Juneau, it does not have adequate access to the rest of the State. Board member, Robert Venables, commented that it will be good to hear all perspectives on this issue.

Board Member, Gerry Hope, proposes that a work session be set up for MTAB to work through the plan with the benefit of having the planners attend. There was a brief discussion about the need to work through the plan, and have specific communities give their suggestions. Board member Clay Koplin agreed with Board member Gerry Hope's concern about the November 4<sup>th</sup> deadline and that it is important that MTAB coordinate a response with recommendations before the deadline. The board felt they should meet in Juneau in a work session to finalize comments. Board member Venables suggested that the board make it workable for board member Marquardt to attend. There was a brief discussion regarding future board meetings and that it would be reasonable to meet in a northern region, either Fairbanks or Anchorage, to accommodate board member Marquardt from Unalaska.

The Haines dock repair was mentioned briefly as well as the Kodiak dock issue. It was agreed that the residents of Kodiak clearly do not like the idea of replacing the dock completely, as it would take out the chamber building at the dock location. But the dock definitely needs replacing. Robert Venables commented that he felt the community seems unsure of how to proceed.

Captain Falvey spoke with regard to general fleet conditions, including the AMHS Project Update, and the Board referred to the Project Update hand-out in their board packet. It was reported that the DOT/PF is close to getting a long-term lease signed with regard to the Prince

Rupert terminal. Captain Falvey discussed the manifest system. The plan for implementation is approximately one year down the road.

**MOTION:** Board member Robert Venables made a motion to support AMHS projects in 2012-15 draft STIP including FVF engine replacements and advocates for annual appropriations in the Alaska Class Ferry and construction funds for the Skagway AMHS Ferry terminal float. Board member Mike Korsmo seconded the motion. By a voice vote, the motion carried.

Board member Gerry Hope distributed his comments with regard to the MTAB and Deputy Commissioner Mike Neussel regarding comments on AMHS from Wrangell, Petersburg and Sitka. Board Member Hope discussed his typed comments, with additional comments from Deputy Commissioner Neussl. The commentary will be taken to Kerri Traudt with DOT/PF. Board member Hope added that he kept written track of his notes at the community meetings in Wrangell, Petersburg and Sitka. He said that Rep. Peggy Wilson has been a good advocate for MTAB. Board member Maxine Thompson commented that in recalling the meeting in Kodiak, the citizens in that community have asked that the Pribiloff Islands be included in the ferry schedule of stops.

#### Recommendations to Administration FY 13

**MOTION:** Board Chair Mike Korsmo reiterated MTAB's support for the AMHS operating budget, support for the Alaska Class Ferry construction, Columbia Repower funds, support for future vessel replacement funding and FVF engine replacement. Board member Cathie Roemmich made a motion that MTAB recommend these five specific items be forwarded as a list of priorities to Administration. Board Vice Chair Clay Koplin seconded the motion. With no dissention from the board noted, the motion passed.

#### **ELECTION OF OFFICERS:**

**MOTION:** Board member Cathie Roemmich nominated Robert Venables to position as Chair of the board. Board member Mike Korsmo seconded the motion, and made a motion to close nominations. On a voice vote, the election of Robert Venables as Chair was passed.

**MOTION:** Board Member Mike Korsmo nominated Mark Eliason as Vice Chair. Gerry Hope nominated Cathie Roemmich for Vice Chair. Cathie Roemmich declined the position of Vice Chair. Board member Clay Koplin seconded the nomination of Mark Eliason as Vice Chair and moved to close nominations. Without board member Mark Eliason present to accept the nomination, the board voted to approve the nomination, pending his acceptance. The election of officers was closed.

#### Distribution List

Board member Clay Koplin suggested that instead of a specific distribution list being kept and tended, that a specific sub-category be added within the GovDelivery system that is specific to MTAB news and meeting announcements, and that people sign up for the notification system.



Board member Cathie Roemmich additionally suggested that by region, within community, meetings should be announced as well. The Board asked that it be kept informed of articles related to AMHS and MTAB business that appear in any newspapers. Board members were accustomed to receiving these automatically from DOT/PF and would enjoy receiving these on a continual basis.

A special thank you was given to Deputy Commissioner Mike Neussl for his hard work, to Clay Koplin, outgoing board member, and a welcome to new board member, Josh Howes.

Board member Clay Koplin spoke about his involvement with MTAB for the past several years. There have been big issues, some public scrutiny and some difficult issues to work with, including an aging fleet, the high cost of fuel, and declining federal funds. But he feels progress has been made in the last several years. He feels good legislative contacts have been made, feels that MTAB has made an impact for the betterment of all involved, and he has thoroughly enjoyed his time with the board. Gerry Hope also spoke, thanking Clay for his time on the board and welcoming Josh Howes. He also thanked Captains Neussl and Falvey for their hard work with MTAB.

Next Meeting Date: TBA

## **ADJOURNMENT**

On a voice vote, the meeting was officially adjourned by Chair Mike Korsmo, at 2:55 p.m.

Respectfully submitted,  
Lisa Shrestha